

Exhibit 2

Trends in Pharmacy Costs and Utilization

By Aid Category

Los Angeles County Fee for Service Enrollees (excludes non-FFP aid categories)

EDS processed pharmacy claims and state drug/supply codes paid through June 30, 1999

Years shown based on date of service; Excludes Medicare crossover claims

Highlighted cells indicate likely cost contributors

	Average Monthly Eligibles		
	1997	1998	% chg
PA Aged	134,531	135,788	1%
PA Blind/Disabled	202,121	203,901	1%
PA Families	542,359	231,797	-57%
MN Aged	34,595	34,843	1%
MN Blind/Disabled	17,816	16,272	-9%
MN Families	98,989	53,467	-46%
MI Adults	3,697	3,111	-16%
MI Children	89,225	49,036	-45%
Other*	173,309	180,185	4%
TOTAL	1,296,640	908,401	-30%

Month of Service	Total Expenditures (000s)		
	1997	1998	% chg
PA Aged	\$148,796	\$184,051	24%
PA Blind/Disabled	\$294,062	\$383,248	30%
PA Families	\$118,691	\$68,458	-42%
MN Aged	\$31,200	\$38,490	23%
MN Blind/Disabled	\$36,682	\$46,198	26%
MN Families	\$17,701	\$10,496	-41%
MI Adults	\$452	\$395	-13%
MI Children	\$10,630	\$6,016	-43%
Other*	\$15,467	\$16,882	9%
TOTAL	\$673,681	\$754,235	12%

Net Increase/Decrease (000s)
\$35,255
\$89,187
-\$50,233
\$7,290
\$9,516
-\$7,205
-\$57
-\$4,614
\$1,415
\$80,553

Total Prescriptions (000s)		
1997	1998	% chg
4,113	4,726	15%
6,856	7,839	14%
5,654	2,585	-54%
1,008	1,099	9%
582	601	3%
804	381	-53%
26	21	-20%
728	317	-56%
819	829	1%
20,590	18,397	-11%

	PMPM		
	1997	1998	% chg
PA Aged	\$92.17	\$112.95	23%
PA Blind/Disabled	\$121.24	\$156.63	29%
PA Families	\$18.24	\$24.61	35%
MN Aged	\$75.16	\$92.06	22%
MN Blind/Disabled	\$171.58	\$236.59	38%
MN Families	\$14.90	\$16.36	10%
MI Adults	\$10.18	\$10.58	4%
MI Children	\$9.93	\$10.22	3%
Other*	\$7.44	\$7.81	5%
TOTAL	\$43.30	\$69.19	60%

Prescriptions per 1,000		
1997	1998	% chg
30,574	34,804	14%
33,921	38,444	13%
10,424	11,151	7%
29,147	31,530	8%
32,675	36,950	13%
8,118	7,126	-12%
6,968	6,658	-4%
8,156	6,466	-21%
4,728	4,602	-3%
15,879	20,253	28%

Cost per Prescription		
1997	1998	% chg
\$36.18	\$38.95	8%
\$42.89	\$48.89	14%
\$20.99	\$26.48	26%
\$30.94	\$35.04	13%
\$63.02	\$76.84	22%
\$22.03	\$27.55	25%
\$17.53	\$19.07	9%
\$14.61	\$18.97	30%
\$18.88	\$20.36	8%
\$32.72	\$41.00	25%

* Includes IRCA and OBRA Aliens, Refugee/Entrant, 100% Poverty, 133% Poverty, Income Disregard, Income Disregard Preg Woman, Other/Invalid